

## **FISCAL NOTE**

### **HB 2510 - SB 3845**

February 28, 2008

**SUMMARY OF BILL:** Prohibits state agency employees acting in performance of their duties from intercepting wire, oral, or electronic communications without prior consent of all parties to the communication.

#### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue – Exceeds \$1,000,000**

**Increase State Expenditures – \$7,716,800/One-Time  
\$36,902,900/Recurring**

**Other Fiscal Impact – According to the Department of Human Services, approximately \$1,100,000,000 in federal funds would be placed in jeopardy due to the potential loss of federal food stamp funding. Such potential loss is due to the inability of the department to monitor the use of EBT cards in accordance with federal regulations.**

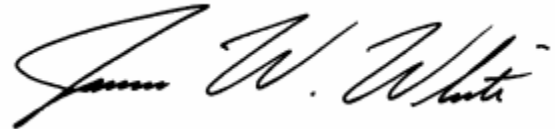
#### **Assumptions:**

- The Department of Health will require three new positions to handle the increased workload for investigations due to no longer being able to intercept wire, oral, or electronic communications. Recurring costs for salary, benefits, travel, printing, office space, phones, office supplies, network connections, and contributions to the equipment replacement fund total approximately \$202,900. One-time costs for office landscaping and PC's for such positions are estimated to be \$16,800.
- The Department of Finance and Administration will no longer be able to filter SPAM. As a result, the department will require one-time expenditures of \$3,500,000 to purchase new equipment to handle the additional e-mail load. Recurring expenditures to maintain this new equipment are estimated to be \$700,000.
- The Department of Human Services utilizes recording technology that will be prohibited according to the provisions of this bill. Approximately 1.2 million calls per month are handled in an automated fashion that will no longer be possible.

- The Department of Human Services will require 750 new staff members to handle client phone calls which are currently recorded. The recurring costs associated with these positions is estimated to be \$36,000,000. The one-time cost for office landscaping and PC's for these positions is estimated to be \$4,200,000.
- The prohibition on intercepting such communications does not apply to law enforcement agencies.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/cce